

# Summary Schedule of Prior Audit Findings

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**STATE OF MONTANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE TWO FISCAL YEARS ENDED JUNE 30, 2005**

CFDA #	Federal Program Name	Finding #	Prior Audit Finding	Questioned Costs	Corrective Action	Initial Year of Finding	Comments
<b>VARIOUS FEDERAL AGENCIES</b>							
Various	Food Stamps, WIC, National School Lunch among others 10.551, 10.561, 10.557, 10.555, 10.567, 84.126, 93.044, 93.045, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.667, 93.775, 93.777, 93.778, 93.959, 93.767, 96.001	2-48	Reconciling data processing subsystems to the primary accounting system.	N/A	1	00-01	
Various	Research and Development Cluster	2-29	Not liquidating all obligations incurred under an award within 90 calendar days as required by OMB Circular A-110	N/A	2	02-03	MSU Office of Sponsored Programs has made grant closures a priority and this continues to be an ongoing commitment.
Various	Research and Development Cluster	2-30	Not following own internal control procedures	N/A	1	02-03	
10.557	<b>AGRICULTURE</b> Special Supplemental Nutrition Programs for Women, Infants, and Children (WIC)	2-1	Follow-up procedures on WIC vouchers on edit report.	N/A	2	00-01	Expected completion date 12/31/05
10.557	Special Supplemental Nutrition Programs for Women, Infants, and Children (WIC)	2-14	Not actively monitoring local agencies that administer WIC funds	N/A	2	02-03	
10.557	Special Supplemental Nutrition Programs for Women, Infants, and Children (WIC)	2-15	Not properly accounting for WIC vouchers as either issued or voided	N/A	2	02-03	
10.557	Special Supplemental Nutrition Programs for Women, Infants, and Children (WIC)	2-16	Ensuring that WIC recipients do not receive benefits more than once a month	N/A	2	02-03	

Category of Corrective Action Taken:

1 Finding has been fully corrected.    2 Finding has not been corrected or is partially corrected.    3 Corrective action taken is significantly different than reported.

**STATE OF MONTANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
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CFDA #	Federal Program Name	Finding #	Prior Audit Finding	Questioned Costs	Corrective Action	Initial Year of Finding	Comments
10.664	Cooperative Forestry Assistance	2-35	Minimizing the time between transfer of funds from the U.S. Treasury and disbursements by the DNRC	N/A	2	02-03	
<b>DEPARTMENT OF DEFENSE</b>							
Various	Military Construction National Guard 12.400, National Guard Military Operations and Maintenance Projects 12.401	2-9	CMIA Compliance	\$55,000	1	02-03	
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>							
Various	Home Investment Partnership Program 14.239, Section 8 Housing Choice Vouchers 14.871, Section 8 Housing Choice Vouchers 14.855 & 14.857	2-5	Not having adequate controls related to reviewing the allowability of administrative costs	N/A	1	00-01	
14.239	Home Investment Partnership Program	2-6	Not ensuring that program income was properly spent by sub recipients	N/A	1	00-01	
Various	Section 8 Project-based Cluster 14.856 & 14.195	2-32	Errors in calculating payments for vacant and tenant damage claims.	\$1,117	1	02-03	
<b>U.S. DEPARTMENT OF INTERIOR</b>							
Various	Sport Fish Restoration 15.605, Wildlife Restoration 15.611	2-1	Following consistent policies, regulations and procedures of the state.	\$82,200	1	02-03	
<b>U.S. DEPARTMENT OF LABOR</b>							
Various	Employment Services Cluster 17.207, 17.801, 17.804 Unemployment Insurance 17.225	2-4	Need to improve controls over fixed assets	N/A	1	02-03	

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**STATE OF MONTANA**  
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CFDA #	Federal Program Name	Finding #	Prior Audit Finding	Questioned Costs	Corrective Action	Initial Year of Finding	Comments
17.225	Unemployment Insurance	2-5	Not submitting the quarterly ETA 227 report	N/A	1	02-03	
Various	Employment Services Cluster 17.207, Unemployment Insurance 17.225	2-6	Internal service fund balances not at a reasonable level	\$57,000	1	02-03	
Various	Employment Services Cluster 17.207, Unemployment Insurance 17.225	2-7	Not following CMA agreement	N/A	1	02-03	
17.225	Unemployment Insurance	2-11	Untimely preparation of the ETA 581 report	N/A	1	02-03	Completed by Department of Revenue (DOR). The administration of UI transferred to Department of Labor and Industry (DOLI) on July 2004.
17.225	Unemployment Insurance	2-12	Not properly calculating experience factors from previous employers to successor employers	N/A	1	02-03	Completed by DOR. The administration of UI transferred to DOLI July 2004. Data in POINTS reconciled, penalty rates reviewed and rate appeals monitored.
20.205	<b>U.S. DEPARTMENT OF TRANSPORTATION</b> Highway Planning & Construction 9-1, 6-1, 2-18		Inadequate sub recipient monitoring procedures	N/A	1	96-97, 98-99, 00-01	
20.205	Highway Planning and Construction	2-33	Inadequate control system in monitoring compliance with Davis Bacon Act	\$24,737	2	02-03	MDT finalized the Supplemental specifications regarding subcontracts to ensure compliance with federal Davis-Bacon Act provisions in September 2005 to complete this recommendation.

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**STATE OF MONTANA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE TWO FISCAL YEARS ENDED JUNE 30, 2005**

CFDA #	Federal Program Name	Finding #	Prior Audit Finding	Questioned Costs	Corrective Action	Initial Year of Finding	Comments
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>							
Various	Capitalization Grants for State Revolving Funds 66.458 Capitalization Grants for Drinking Water State Revolving Fund 66.468	2-8	DEQ did not submit any federal cash transactions reports	N/A	2	00-01	The Consolidated Federal Financial Report referred to in DEQ's previous comments was not approved to be a substitute for the SF 272 Federal Cash Transaction report. DEQ has been processing delinquent SF 272s since that decision but is not yet current.
Various	Capitalization Grants for Clean Water State Revolving Funds 66.458, Capitalization Grants for Drinking Water State Revolving Funds 66.468	2-2	Not equitably allocating leave pools	\$46,652 and \$56,213 in FY 00-01 and FY 01-02 respectively	1	02-03	
Various	Capitalization Grants for Clean Water State Revolving Funds 66.458, Capitalization Grants for Drinking Water State Revolving Funds 66.468	2-3	Not filing federal cash transaction reports	N/A	3	02-03	The Consolidated Federal Financial Report referred to in DEQ's previous comments was not approved to be a substitute for the SF 272 Federal Cash Transaction report. DEQ has been processing delinquent SF 272s since that decision but is not yet current.
Various	Capitalization Grants for Clean Water State Revolving Funds 66.458, Capitalization Grants for Drinking Water State Revolving Funds 66.468	2-34	Not having an annual financial and compliance audit	N/A	1	02-03	

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CFDA #	Federal Program Name	Finding #	Prior Audit Finding	Questioned Costs	Corrective Action	Initial Year of Finding	Comments
84.011	U.S. DEPARTMENT OF EDUCATION Migrant Education - Basic State Grant Program	2-10	Not following state statutes related to "private interest" for state employees	\$478,271	1	02-03	The Office of Public Instruction's (OPI) legal counsel reviews all employees' memberships to determine whether there is a conflict of interest. The OPI cabinet is also in the final stages of adopting a Conflict of Interest policy for the agency.
Various	Research and Development Cluster	2-13	Not adequately supporting leave pool rates	\$163,503	1	00-01	Leave rates approved by U.S. Dept of Health and Human Services in December 2002.
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	2-17	Errors in preparation of the RSA - 2 Program Cost Report	N/A	2	02-03	
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	2-18	Not appropriately charging the correct period for personal services costs.	\$6,568	2	02-03	
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	2-19	Providing services to individuals who did not meet financial eligibility criteria	\$12,264	1	02-03	
Various	Student Financial Aid Cluster 84.007, 84.033, 84.038, 84.063, 84.268, 93.364, 93.925,	2-28	Improper calculation of student aid that must be returned by students that withdrawal	\$1,800	1	02-03	
Various	Financial Aid Cluster, 84.007, 84.032, 84.033, 84.038, 84.063, 84.268, 93.364, 93.925	2-31	Error in the Fiscal Operations and Application to Participate (FISAP) report	N/A	1	02-03	

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<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
93.563	Child Support Enforcement	2-32	Non interfacing between the two department computer systems	N/A	1	00-01	
93.658	Foster Care Title IV-E	10-14	Inadequate policies and procedures to ensure timely reconciliations between trust accounts and accounting records.	N/A	1	98-99	
93.775	State Medicaid Fraud Control Units	2-38, 2-8	Inconsistent cash draws	N/A	1	00-01, 02-03	
93.959	Block Grant for Prevention and Treatment of Substance Abuse (SAPT)	2-20	Not meeting maintenance of effort	\$268,563	1	02-03	
93.959	Block Grant for Prevention and Treatment of Substance Abuse (SAPT)	2-21	Not spending at least 20 percent on prevention activities	\$724,004	1	02-03	
93.568	Low Income Home Energy Assistance Program (LIHEAP)	2-22	Errors in compiling the unobligated balances in the annual financial status report	N/A	1	02-03	
93.658	Foster Care - Title IV-E	2-23	Not following CMIA agreement related to fund transfers to the Adoption Assistance Program	N/A	1	02-03	
93.658	Foster Care - Title IV-E	2-24	Not following CMIA agreement related to draws for the Foster Care program	N/A	1	02-03	

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93.658	Foster Care - Title IV-E	2-25	Not properly allocating out administrative costs to the Foster Care and Adoption Program	N/A	1	02-03	
93.563	Child Support Enforcement	2-26	Computer systems, including the state's accounting system not reconciling to each other	N/A	1	02-03	
Various	Child Care Cluster 93.575, 93.596	2-27	No on-site monitoring of local agencies that administer child care funds	N/A	1	02-03	

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